

**DEPARTMENT OF SOCIAL SERVICES**

744 P Street, Sacramento, CA 95814



June 18, 1998

COUNTY FISCAL LETTER (CFL) NO. 97/98-64

TO: COUNTY WELFARE DIRECTORS  
COUNTY FISCAL OFFICERS  
COUNTY AUDITOR CONTROLLERS  
COUNTY PROBATION OFFICERS

SUBJECT: COUNTY WELFARE DEPARTMENT (CWD) COUNTY EXPENSE  
CLAIM (CEC) FOR THE APRIL-JUNE 1998 QUARTER - CLAIMING  
INSTRUCTIONS

This letter provides claiming instructions for the April-June 1998 quarter. The information contained in this letter includes:

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**Child Care and Development Program (Child Care)****Page 6****Residual Costs of Child Care Programs****Page 6****State Only Child Care****Page 6****General****Page 6**

The following table contains a listing of the current forms to be used in the June 1998 quarter. The forms with an asterisk (\*) were revised for the June 1998 quarter.

<u>Form</u>	<u>Date</u>	<u>Form</u>	<u>Date</u>	<u>Form</u>	<u>Date</u>
DFA 325.1	3/98	DFA 327.4B*	6/98	DFA 327.3E	3/98
DFA 325.1A	3/98	DFA 327.5B*	6/98	DFA 327.4E	3/98
DFA 325.1AA	3/98	DFA 327.1C	3/98	DFA 327.5E	3/98
DFA 325.1B	3/98	DFA 327.2C	3/98	DFA 55*	6/98
DFA 325.1C	3/98	DFA 327.3C	3/98	DFA 7A	3/98
DFA 325.1E	3/98	DFA 327.4C	3/98	DFA 7B*	6/98
DFA 327.1A*	6/98	DFA 327.5C	3/98	DFA 403	3/98
DFA 327.2A*	6/98	DFA 327.1D*	6/98	DFA 419	3/98
DFA 327.3A*	6/98	DFA 327.2D*	6/98	DFA 325.5	3/98
DFA 327.4A*	6/98	DFA 327.3D*	6/98		
DFA 327.5A*	6/98	DFA 327.4D*	6/98		
DFA 327.1B*	3/98	DFA 327.5D*	6/98		
DFA 327.2B*	3/98	DFA 327.1E	3/98		
DFA 327.3B*	3/98	DFA 327.2E	3/98		

**I. SOCIAL SERVICES****A. Child Care and Development Program**

As indicated in CFL No. 97/98-55, dated April 3, 1998, Program Code 160, Child Care and Development Program, has been transferred from the Social Services Function to the Child Care Function effective with the June 1998 quarter. This transfer was made at CWD request to consolidate all child care related codes in the Child Care Function. Please refer to Item A, Child Care and Development Program, under the Child Care Function for additional information.

**B. Adoptions County Counsel Costs**

In order to more effectively track adoption county counsel costs, the following Program Identifier Numbers (PINs) will be deleted retroactive to the September 1997 quarter:

Adoptions Independent/Nonfederal  
118052 County Counsel Costs

Adoptions/Federal Direct Costs  
123052 County Counsel Costs

The following new codes have been established, retroactive to the September 1997 quarter, to capture the federal and nonfederal adoptions county counsel costs:

567 Adoptions Independent-County Counsel Costs/Nonfederal  
567052 County Counsel Costs

568 Adoptions/Federal County Counsel Costs  
568052 County Counsel Costs

The California Department of Social Services' (CDSS) County Systems Unit (CSU) will make all of the retroactive adjustments. Beginning with the June 1998 quarter, counties will claim all adoptions county counsel costs to the newly established codes listed above.

C. Adoptions-Case Management Staff Development Costs

As outlined in CFL No. 91/92-14, dated September 27, 1991, all adoptions case management costs were to be claimed to Program Code 117, Adoptions-Case Management, and funded at 50 percent federal; 50 percent State General Fund. This CFL also stated that any staff development costs related to adoptions case management should also be claimed to Program Code 117 and would be funded 75 percent federal; 25 percent State General Fund.

When Program Code 125, Adoptions-Training, was established in June 1993, counties were instructed in CFL No. 92/93-46, dated June 7, 1993, to claim all adoptions training costs to Program 125. The program is funded 75 percent federal; 25 percent State General Fund in the Staff Development cost pool. The above CFL did not address the staff development costs claimed to Program Code 117.

Because it is more appropriate to claim all adoptions staff development costs to one code, effective in the June 1998 quarter, all adoptions case management staff development costs should now be claimed to Program Code 125. The enhanced funding for staff development costs claimed to Program Code 117 will be discontinued. All adoptions case management costs will continue to be claimed to Program Code 117 at the normal federal sharing ratio.

D. PA and Nonprofit Consortium Service Delivery

All-County Letter (ACL) No. 98-20, dated March 17, 1998, provided implementation and claiming instructions for counties electing to establish a PA or contract with a nonprofit consortium for delivery of In-Home Supportive Services (IHSS). Prior to this ACL, as an interim claim mechanism, some counties had been claiming PA costs via the CEC to PINs 103031 and 104031, IHSS-Personal Care Services Program, Contracted Services, and IHSS-Non-Health Related/Non-Skilled Professional Medical Personnel, Contracted Services, respectively. Effective with the June 1998 quarter, these costs are now to be claimed on an invoice submitted directly to the CDSS IHSS-Fiscal Unit. Before counties can claim reimbursement for PA costs, rates must be established. Counties will be responsible for establishing and obtaining approval for an hourly rate for both services and administrative costs. Please refer to ACL No. 98-20 for complete instructions and a sample invoice form.

## **E. TANF Probation**

There have been several questions regarding claiming instructions for nonfederally eligible probation foster care (FC) cases. The following information has been provided to help clarify the claiming procedures for this FC population.

Prior to the Emergency Assistance (EA) Program, nonfederally eligible children placed in FC by the County Probation Departments (CPDs) if otherwise eligible were funded with State FC funds. When the EA Probation Program was implemented July 1, 1993, it provided federal funding for this FC population. As a result, the CDSS adjusted the State Only FC Program funding and established an EA Probation FC line within the State's budget.

When the EA Probation Program ended January 1, 1996, the EA Probation FC line in the State budget was deleted. The State Only FC Program was then increased accordingly (reference CFL No. 95/96-31, dated May 4, 1996, regarding Probation FC claiming instructions).

Effective July 1, 1997, the California Youth Services Act (CYSA) provided TANF funds to CPDs. As outlined in the CYSA, the funds can be used to provide new services to TANF eligible children or CPDs can choose to fund the same services provided under the former EA Probation Program as it was run prior to TANF. This included the EA Probation FC population.

Counties have flexibility in funding the Probation FC population. The CYSA allows Probation FC cases to be funded under the new TANF Probation Program (reference CFL No. 97/98-51 dated March 26, 1998 for claiming instructions) or, if these cases are eligible for State Only FC they can be funded by the CWDs under the State FC program by continuing to claim these cases on the CA 800 FC (Non Fed) form.

The CWDs and CPDs can work together collaboratively to determine the most equitable way to claim these costs and maximize the funding flexibility.

## **II. CALWORKS**

### **A. ERDP**

CFL No. 97/98-55, dated April 3, 1998, established Time Study Code 6351, ERDP, effective with the June 1998 quarter. Funding is provided through TANF. Sharing ratios are 100/0/0/0 (Federal/State/Health/County). There is no county match requirement for participating counties. The September 1998 Support Staff Time Reporting Instructions will be revised to include Support Staff Code B37, ERDP.

### **B. Cal-Learn Eligibility**

Program Code 630, Cal-Learn Eligibility, was inadvertently identified on the DFA 55, Casework Time Study and Salary Distribution Summary, and the DFA 7B, Salary Distribution to Program, as "Cal-Learn Administration". The title for Program Code 630 will be revised to "Cal-Learn Eligibility" on the June 1998 DFA 55. All other pages of the CEC reflect the correct title.

### **C. Substance Abuse and Mental Health Treatment**

CFL No. 97/98-42, dated January 21, 1998, incorrectly identified funding ratios for Program Code 626, CalWORKs Mental Health Services – Federal, as 48.67 percent State and 51.33

percent county. The correct ratios are: 48.77 percent State and 51.23 percent county. Counties receive federal Title XIX reimbursement for the 51.23 percent county share directly from the State Department of Mental Health; the CDSS reimburses counties for the State share.

The 51.23 rate coincides with the Federal Medical Assistance Percentage for the current year and will be applied retroactive to the October-December 1997 quarter. CDSS' County Administrative Claims Unit will adjust any costs claimed in the December 1997 and March 1998 quarters, which were submitted with the incorrect rate.

Funding information on the DFA 327.5B, CEC Funding-CalWORKs, for the June 1998 quarter has been revised accordingly.

**D. Nonfederal WTW**

Program Code 451, Nonfederal WTW, was established with the March 1998 quarter to capture costs associated with WTW services provided to nonfederally eligible, non-citizen entrant CalWORKs recipients. PINs identified with CFL No. 97/98-52, dated March 25, 1998, were misnumbered. The correct PINs effective the March 1998 quarter for this program are as follows:

PINs	451231	Contracted Services
	451234	Incapacity Exam
	451257	Separate Service Center
	451203	Transportation
	451216	Ancillary Services
	451288 through 94	Support Operating Direct Charge Costs

**III. OTHER PUBLIC ASSISTANCE**

**A. FSET MOE Tracking**

For the Federal Fiscal Year 1998, the FSET Program has three funding sources. The first funding source is 100 percent federal with all counties eligible to participate; the second funding source is 100 percent federal but requires the State and the counties to participate by paying an established MOE dollar amount. Only the counties electing to participate in the second 100 percent funds are included in the MOE requirement. The third funding source is funded 50 percent federal and 50 percent county. To monitor the three funding sources and ensure that the counties meet the established MOE to draw down the second 100 percent federal funds, the following formula will be used to capture the required amounts from the participating counties:

25 percent of the MOE in the first quarter  
Up to 50 percent of the MOE in the second quarter  
Up to 75 percent of the MOE in the third quarter, and  
100 percent in the fourth quarter

As a reminder, the Federal Balanced Budget Act requires that at least 80 percent of all unmatched federal funds (both the first and second components of the FFY 1998 100 percent federal funds) be spent to serve Able-Bodied Adults Without Dependents (ABAWDs) who are placed in and comply with a work program that meets the eligibility standards of the Food Stamp Act (e.g. a workfare program or a 20-hour per week work/training program). When a county spends more than 20 percent grant funds on non-ABAWD activities, the county will be

responsible for 50 percent of the expenditure.

The CSU intends to assess each county's MOE without regard to the spending level of the first funding source. After a county exceeds its allocations for the first and second sources, CSU will fund expenditures from the third funding source (50 percent federal and 50 percent county). If there is a cap on the third funding source, CSU will make shifts to county-only cost if the allocation is exceeded. An example of the computation and tracking of the MOE is attached (Attachment I).

Please call Darnell Lawrence, Supervisor, CSU, at (916) 654-0944 for any questions regarding FSET MOE tracking.

#### **IV. CHILD CARE**

##### **A. Child Care and Development Program**

As indicated in CFL No. 97/98-55, Program Code 160, Child Care and Development Program, has been transferred from the Social Services Function to the Child Care Function effective with the June 1998 quarter. This transfer was made at CWD request to consolidate all child care related codes in the Child Care Function.

The Child Care and Development Program is funded through the California Department of Education via a contract with the participating counties. Allowable costs remain the same. Funding ratios also remain the same at 0/0/0/100 (Federal/State/Health/County). In addition, the following PINs are being established effective with the June 1998 quarter to allow counties the option to direct charge selected operating costs:

PINs 160088 through 94              Support Operating Direct Charge Costs

##### **B. Residual Costs of Child Care Programs**

In accordance with CFL No. 97/98-52, Program Codes 240, 241, 244, 433, 435, 437 and 439 have been deleted effective with the June 1998 quarter and are no longer available for reporting residual child care costs.

##### **C. State Only Child Care**

The title for Time Study Code 9031 has been changed from "State Care on the DFA 55.

#### **V. GENERAL**

##### **A. Q/A from the April 8, 1998 county meeting on the March 1998 quarter claim letter.**

Q1: Where are the salary and benefits of a supervisor who supervises both casework and support staff reported?

A1: When a first line supervisor of both casework staff also supervises support staff, the following procedures apply for the supervisor's salary and benefits:

Report the salary and benefits of the supervisor in the salary pool that best represents their

salary. If the caseworkers and support staff perform activities for the same programs/functions, the supervisor's salary and benefits will be allocated based only on their caseworkers' allocable hours. However, if the support staff perform activities which benefit programs in a different function, the support staff hours will be used to allocate a portion of the supervisor's salary and benefits to the Generic Function.

This is because: 1) if support staff are performing generic activities, a portion of the supervisor's salary and benefits must also be reported as generic; 2) if support staff are performing activities for functions/program different from the supervisor's casework staff, the salary and benefits must continue to be represented in the casework cost pool, where no mechanism exists to identify salary and benefits to the function level. Salary and benefits reported to generic can be allocated to functions/program.

Q2: Can the nonwelfare support activities only be reported in the Nonwelfare Function as opposed to being shifted to Extraneous?

A2: In the June 1998 quarter all nonwelfare activities must be reported in the Nonwelfare Function. Staff who perform support activities for nonwelfare programs with no casework equivalent will report their time as a direct cost. An Indirect Cost Rate will be applied to the salary and benefits of the support staff and the cost will then be reported to PIN 805068, Nonwelfare, or 806068, Nonwelfare-Non Electronic Data Processing.

B. Time Study Form Amendments

With the March 1998 quarter many changes occurred to the claim and one was the DFA 7, Support Staff Time Report, which converted to a generic time study form. As of the June 1998 quarter, counties have the option to design their own time study forms, both the DFA 7 and the DFA 10, Time Study, without seeking approval from the Fiscal Policy Bureau (FPB), as long as the form contains the following elements:

Employee's name	Social Security Number	Salary Pool
County	Month and Year	Work Status, FT or PT
Support staff (time certify or time study)		Benefiting level
Allocable total	Nonallocable total	Daily total

Certification by employee and supervisor with signatures and dates.

The DFA 7 and the DFA 10 are available on your State of California Automated Template. As a result of this change, the CDSS will not be providing time study forms to the counties each quarter unless they are revised in that quarter.

C. DFA 419, Claim Summary Sheet

The DFA 419 is a claim summary that explains fluctuations in various claiming areas between the current and prior quarters. With implementation of CalWORKs in the March 1998 quarter, all CEC forms, including the DFA 419, were modified to incorporate new/revised claim categories and functions. However, as a result, cost comparisons between the December 1997 and March 1998 quarters for many claim categories could not easily be made.

Counties who have called the FPB regarding this matter were advised to complete the form to the extent they could and submit as usual with the CEC. Submission of the form will not be mandatory for the March 1998 quarter for counties who were unable to do so. The CEC for the

March and June 1998 quarters will be comparable; therefore, counties are required to resume submission of completed forms effective with the June 1998 quarter.

If you have questions regarding this CFL, please contact your Fiscal Policy Analyst at (916) 657-3440.

Sincerely,

***Original Document Signed By  
George E. Peacher, Jr. on 6/18/98***

GEORGE E. PEACHER, JR., Chief  
Fiscal Systems and Accounting Branch

Attachment

C: CWDA



### Food Stamps Employment and Training (FSET)

Example: County A

First Funding Source Allocation	\$100,000
Second Funding Source Allocation	\$ 80,000
Second Funding Source MOE	\$ 12,800

First Quarter spending	\$ 60,000	Fed Share \$ 0	County Share
CSU Ledger System will shift	<u>\$ &lt;3,200&gt;</u>	Fed Share <u>\$3,200</u>	for County M OE
1 <sup>st</sup> Qtr Ledger Balance	\$ 56,800	Fed Share \$3,200	County MOE

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Second Quarter spending	\$ 150,000	Fed Share \$ 0	County Share
CSU Ledger System will shift	\$ < 3,200>	Fed Share \$ 3,200	County MOE
* CSU Ledger System will shift	<u>\$ &lt;11,800&gt;</u>	Fed Share <u>\$11,800</u>	County Share
2 <sup>nd</sup> Qtr Ledger Balance	\$ 191,800	Fed Share \$18,200	County Share

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Third Quarter spending	\$ 40,000	Fed Share \$ 0	County Share
CSU Ledger System will shift	\$ < 3,200>	Fed Share \$ 3,200	County MOE
CSU Ledger System will shift	<u>\$ &lt;18,400&gt;</u>	Fed Share <u>\$18,400</u>	County Share
3 <sup>rd</sup> Qtr Ledger Balance	\$ 210,200	Fed Share \$39,800	County Share

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Fourth Quarter spending	\$ 60,000	Fed Share \$ 0	County Share
CSU Ledger System will shift	\$ < 3,200>	Fed Share \$ 3,200	County MOE
CSU Ledger System will shift	<u>\$ &lt;28,400&gt;</u>	Fed Share <u>\$28,400</u>	County Share
4 <sup>th</sup> Qtr Ledger Balance	\$ 238,600	Fed Share \$71,400	County Share

County MOE calculation  $\$12,800 \times 25\% = \$3,200$

- County has exceeded the allocations for the first and second funding sources by \$26,800. The CSU Ledger System will deduct the MOE ( $\$26,800 - \$3,200$ ) leaving a balance of \$23,600 which is funded at 50% Federal and 50% County ( $23,600 \times 50\% = 11,800$ )